Form 8-K for CHINA DIGITAL COMMUNICATION GROUP

18-Jan-2006

Change in Accountant, Financial Statements and Exhibits

ITEM 4.01. CHANGES IN REGISTRANT'S CERTIFYING ACCOUNTANTS.

As described in Items 4.01(a) and (b) below, China Digital Communication Group ("China Digital") has dismissed Lichter, Yu & Associates ("Lichter") as China Digital's independent registered public accounting firm, effective as of January 12, 2006, and has engaged Kabani & Company, Inc. ("Kabani") as its new independent registered public accounting firm for the year ending December 31, 2005, and to perform procedures related to the financial statements included in the Company's quarterly reports on Form 10-Q, beginning with the quarter ending March 31, 2006. As described in the third paragraph of Item 4.01(a) below, the change in independent registered public accounting firm is not the result of any disagreement with Lichter.

(a) Previous independent registered public accounting firm

(i) On January 12, 2006, China Digital dismissed as its independent registered public accounting firm. The Audit Committee of the Board of Directors participated in and approved the decision to change China Digital's independent registered public accounting firm. China Digital's financial statements for the year ended December 31, 2003 were prepared by Moores Rowland Mazars ("MRM").

(ii) The report of Lichter on the financial statements for the year ended December 31, 2004, as restated, and the report of MRM on the financial statements for the year ended December 31, 2003, did not contain an adverse opinion nor disclaimer of opinion, and, they were not qualified nor modified as to uncertainty, audit scope or accounting principle, except that the report of MRM on the financial statements of China Digital for the year ended December 31, 2003 contained an explanatory paragraph indicating that substantial doubt exists about China Digital's ability to continue as a going concern.

(iii) During the two most recent fiscal years and through January 12, 2006, there have been no disagreements with Lichter or MRM, as the case may be, on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements if not resolved to the satisfaction of Lichter or MRM, as the case may be, would have caused them to make reference thereto in their reports on the financial statements for such years.

(iv) During the two most recent fiscal years and through January 12, 2006, there have been no reportable events (as defined in Item 304(a)(1)(v) of Regulation S-B).

(v) China Digital has requested that Lichter furnish it with a letter addressed to the Securities and Exchange Commission stating whether or not it agrees with the above statements. A copy of such letter, dated January 18, 2006, is filed as Exhibit 16.1 to this Form 8-K.

(b) New independent registered public accounting firm

(i) Effective January 12, 2006, the audit committee of the Board of Directors engaged Kabani as China Digital's new independent registered public accounting firm. During the two most recent fiscal years and through January 12, 2006, China Digital has not consulted with Kabani regarding (i) the application of accounting principles to a specified transaction, either completed or proposed, or the

type of audit opinion that might be rendered on China Digital's financial statements; or (ii) any matter that was either the subject of a disagreement, as that term is defined in Item 304(a)(1)(iv) of Regulation S-B and the related instructions to Item 304 of Regulation S-B, or a reportable event, as that term is defined in Item 304(a)(1)(v) of Regulation S-B.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(a) Financial Statements of Business Acquired.

(b) Pro Forma Financial Information.

(c) Exhibits.

The following document is furnished as an Exhibit to this Current Report on Form 8-K pursuant to Item 601 of Regulation S-B:

16.1 Letter from Lichter, Yu & Associates